

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ADMINISTRATIVE SUPPORT OFFICES
OFFICE OF STRATEGIC PLANNING AND MANAGEMENT**

(Dollars in Thousands)

	FY 2016 Actuals	FY 2017 Annualized CR	FY 2018 President's Budget
Personnel Services	\$3,949	\$4,512	\$4,007
Non-Personnel Services			
Travel	8	5	3
Other services/Contracts	478	181	127
Training	-	50	50
Supplies	3	3	3
Non-Personnel Services Subtotal	\$489	\$239	\$183
Working Capital Fund (WCF)	-	-	\$285
Grand Total	\$4,438	\$4,751	\$4,475
Associated FTE	27.6	32.0	27.7

1. Program Purpose and Fiscal Year 2018 Budget Overview

The Office of Strategic Planning and Management (OSPM) is responsible for driving organizational, programmatic, and operational changes across HUD to maximize agency performance. The Office achieves its mission by facilitating the Department-wide strategic planning process with the Secretary, his senior leadership team, external stakeholders, and HUD employees. OSPM identifies strategic priorities and manages risk, monitors key performance measures against established targets, and sets policy and oversees the award of HUD's competitive grants.

OSPM consists of four divisions: (1) Front Office Operations, (2) Transformation, (3) Performance, and (4) Grants Management and Oversight. In accordance with new A-123 internal control requirements, the Chief Risk Officer was established in OSPM in fiscal year 2017 to conduct an Enterprise Risk Management program for HUD. OSPM manages the GrantSolutions shared service through HHS which is automating the awards process for HUD grant programs. It manages the HUDstat business intelligence tool to inform data-driven decision making among program management and leadership. OSPM's key workload indicators are timeliness of award for HUD's competitive Notices of Funding Availability, number of transformation projects initiated and completed, and the number of outcome metrics achieved in HUD's annual performance plan.

Administrative Support Offices – Office of Strategic Planning and Management

The fiscal year 2018 President's Budget of \$4,475K is \$276K less than the fiscal year 2017 Annualized CR level. However, the fiscal year 2018 President's Budget includes \$285K for OSPM's allocation towards the Working Capital Fund (WCF), whereas the fiscal year 2017 CR level does not. When the WCF is excluded from fiscal year 2018 President's Budget request, the remaining funds available to support salaries and expenses is \$4,190K, which is \$561K less than the fiscal year 2017 CR level. This request aligns with the elimination of funding for several of HUD's lower priority competitive grants for which OSPM currently provides administrative oversight. The President's Budget recognizes that State and local governments are better positioned to address local community and economic development needs.

Personnel Services (PS): OSPM requests \$4,007K to support 27.7 FTE which is a decrease of 4.3 FTE from the fiscal year 2017 CR level.

- In line with the proposal to eliminate eight competitive grant programs, OSPM will target staff reductions in the Grants Management and Oversight division. The proposed staffing levels will enable HUD to continue to manage and oversee the remaining programs and continue the implementation of the GrantSolutions shared service to automate the award process.
- Reductions in reporting requirements achieved through the President's Reform Plan will enable OSPM to absorb reductions in its Performance Division. Proposed staffing levels align with the elimination of lower priority programs thereby streamlining requirements for reporting in the strategic plan and annual performance plan and report.
- The request seeks to minimize attrition in the Transformation Division and dedicates non-personnel services funding in support of HUD's Enterprise Risk Management program.

Non-Personnel Services (NPS): OSPM requests \$183K to primarily support contracts and training.

Working Capital Fund (WCF): OSPM requests \$285K to support WCF fees for its shared services costs and other investments as directed by the Secretary.

2. Full-time Equivalents

Full-time Equivalents			
Staffing	FY 2016 FTE	FY 2017 FTE (Est)	FY 2018 FTE (Est)
Operations	4	4.5	4.5
Performance	7	8.5	7.2
Transformation	7	9	9
Grants Management and Oversight	9.6	10	7
Total	27.6	32	27.7

3. Key Operational Initiatives

- OSPM intends to use Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Payments (VSIP) authority, and reassign staff, if attrition does not align to proposed reductions.
- The Enterprise Risk Management program was initially established and funded in the Office of Chief Financial Officer (OCFO) and transferred into OSPM in fiscal year 2017. OSPM's level for the Transformation Division absorbs the contract support previously funded in OCFO.
- OSPM is managing the enterprise risk program through the efforts of staff in individual program office risk functions.
- OSPM is consolidating and streamlining requirements around Front End Risk Assessments and FAIR Act reporting that previously resided in OCFO.
- Requirements development around the Continuum of Care grants will inform decision-making on future grants management system consolidation efforts. OSPM is examining requirements system support for grantee monitoring and pre-award risk.